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| UTILITY PATENT APPLICATION TRANSMITTAL <small>*Only for new nonprovisional applications under 37 C.F.R. § 1.53(b)</small> | Attorney Docket No | BLO1134-013 |
| | First Inventor or Application Identifier | Wilson |
| | Title | PRE YEAR END TAX REFUND SYSTEM |
| | Express Mail Label No | EL039915282US |

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| APPLICATION ELEMENTS <small>See MPEP chapter 600 concerning utility patent application contents.</small> | | ADDRESS TO: Assistant Commissioner for Patents Box Patent Application Washington, DC 20231 | |
| 1 <input checked="" type="checkbox"/> • Fee Transmittal Form (e.g., PTO/SB/17) <small>(Submit an original and a duplicate for fee processing)</small> | 5 <input type="checkbox"/> Microfiche Computer Program (Appendix) | ACCOMPANYING APPLICATION PARTS 7 <input checked="" type="checkbox"/> Assignment Papers (cover sheet & document(s)) 8 <input type="checkbox"/> 37 C.F.R. § 73(b) Statement <input type="checkbox"/> Power of Attorney <small>(when there is an assignee)</small> 9 <input type="checkbox"/> English Translation Document (if applicable) 10 <input type="checkbox"/> Information Disclosure Statement (IDS)/PTO-1449 <input type="checkbox"/> Copies of IDS Citations 11 <input type="checkbox"/> Preliminary Amendment 12 <input checked="" type="checkbox"/> Return Receipt Postcard (MPEP 503) <small>(Should be specifically itemized)</small> 13 <input type="checkbox"/> Small Entity Statement(s) <input type="checkbox"/> Statement filed in prior application, Status still proper and desired <small>(PTO/SB/09-12)</small> 14 <input type="checkbox"/> Certified Copy of Priority Document(s) <small>(if foreign priority is claimed)</small> 15 <input type="checkbox"/> Other. | |
| 2 <input checked="" type="checkbox"/> Specification [Total Pages 9] <small>(preferred arrangement set forth below)</small> - Descriptive title of the Invention - Cross References to Related Applications - Statement Regarding Fed sponsored R & D - Reference to Microfiche Appendix - Background of the Invention - Brief Summary of the Invention - Brief Description of the Drawings (if filed) - Detailed Description - Claim(s) - Abstract of the Disclosure | a <input type="checkbox"/> Computer Readable Copy b <input type="checkbox"/> Paper Copy (identical to computer copy) c <input type="checkbox"/> Statement verifying identity of above copies | | |
| 3 <input checked="" type="checkbox"/> Drawing(s) (35 U.S.C. 113) [Total Sheets 2] | | | |
| 4. Oath or Declaration [Total Pages 2] a. <input checked="" type="checkbox"/> Newly executed (original or copy) b. <input type="checkbox"/> Copy from a prior application (37 C.F.R. § 1.63(d)) <small>(for continuation/divisional with Box 16 completed)</small> <input type="checkbox"/> DELETION OF INVENTOR(S) Signed statement attached deleting inventor(s) named in the prior application, see 37 C.F.R. §§ 1.63(d)(2) and 1.33(b) | | | |
| <small>* NOTE FOR ITEMS 12, 13. IN ORDER TO BE ENTITLED TO PAY SMALL ENTITY FEES, A SMALL ENTITY STATEMENT IS REQUIRED (37 C.F.R. § 1.27), EXCEPT IF ONE FILED IN A PRIOR APPLICATION IS RELIED UPON (37 C.F.R. § 1.28)</small> | | | |

16. If a **CONTINUING APPLICATION**, check appropriate box, and supply the requisite information below and in a preliminary amendment

☐ Continuation ☐ Divisional ☐ Continuation-in-part (CIP) of prior application No _____

Prior application information Examiner _____ Group/Art Unit: _____

For CONTINUATION or DIVISIONAL APPS only: The entire disclosure of the prior application, from which an oath or declaration is supplied under Box 4b, is considered a part of the disclosure of the accompanying continuation or divisional application and is hereby incorporated by reference. The incorporation can only be relied upon when a portion has been inadvertently omitted from the submitted application parts.

17. CORRESPONDENCE ADDRESS

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| Signature | | Date | January 14, 2000 |

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APPLICATION FOR UNITED STATES LETTERS PATENT
FOR
PRE YEAR END TAX REFUND SYSTEM

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PRE YEAR END TAX REFUND SYSTEM

Inventors: Robert D. Wilson

BACKGROUND AND SUMMARY OF THE INVENTION

5 The present invention relates generally to a tax refund system, and more particularly, to a system in which a taxpayer receives a loan based on his or her estimated tax refund prior to the year end holidays of the calendar year preceding the year in which the taxpayer files his or her tax return forms. In a preferred embodiment of the present invention a taxpayer may have an estimated refund amount in their possession prior to the December holidays and prior to filing his or her tax return forms for that tax year.

10 Tax refunds are available when a taxpayer pays too much tax during a tax year. By completing tax return forms and filing them with the proper taxing authority, the taxpayer may receive a refund for the amount overpaid. Often taxpayers use tax preparation companies to prepare and electronically file their tax return forms with the taxing authority. In circumstances where a taxpayer has used a tax preparation company on repeated and consecutive years, the tax preparation company may be able to estimate the amount of a tax refund the taxpayer will be entitled to receive for the current tax year, prior to the completion of that tax year. By doing a trend analysis as well as looking at current year income levels, the tax preparation company can arrive at a reasonable approximation of the amount of tax refund the taxpayer will be entitled to receive for that tax year. In exchange for the taxpayer assigning the tax refund amount to the tax preparation company or lending entity, the tax preparation company by itself or through a financial institution may provide the taxpayer with a loan in an

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amount less than, or equal to or greater than the estimated tax refund amount due the taxpayer for that tax year.

Refund anticipation loans are known, in which a taxpayer receives a loan in anticipation of a tax refund due. However, in these situations the tax information is completed for the tax year for which the refund is due prior to the loan being granted to the taxpayer. In other words, the tax preparation company has completed the tax return forms necessary to file with the taxing authority before the loan is approved. This is contrary to the present invention in which the tax return forms are not able to be completed because the year end information is not yet known. Instead, with the present invention, a loan is provided to the taxpayer based on trend analysis from prior year's tax returns as well as other personal information supplied by the taxpayer. In this manner, with the present invention, taxpayers may receive a loan prior to the year-end holidays in order to be able to spend the anticipated tax refund for holiday shopping.

The present invention will be described in greater detail hereinafter. The present invention is described in the form of preferred embodiments and is not to be limited to those preferred embodiments but instead shall be given the broadest scope of protection affordable under the law in view of the allowed claims.

BRIEF DESCRIPTION OF THE DRAWINGS

Figure 1 is a flow diagram of a preferred embodiment of the present invention; and

Figure 2 is a schematic view of a preferred embodiment of the system of the present invention.

DETAIL DESCRIPTION OF PREFERRED EMBODIMENT(S)

Referring now to the drawings, there is shown a preferred embodiment of the system of the present invention. With the present invention, a taxpayer may receive a loan in an amount estimated to be approximately the amount the taxpayer will receive in his or her tax refund from the taxing authority, and the loan will be given to the taxpayer prior to the end of the tax year (for example, the calendar year end), in time for the taxpayer to use the money for holiday expenses. Furthermore, because the loan is being given before the end of the tax year the taxpayer cannot yet file his or her tax return forms with the taxing authority because all of the information necessary to process the tax forms is not yet available.

In order to accomplish the present invention, a lending company preferably knows the estimated tax refund amount that the taxpayer should receive in subsequent months after filing his or her tax return. In order to do this, the loan granting entity preferably looks at the historical tax refund amount for that taxpayer. In other words, the loan granting entity may review recent years historical tax refund data for the taxpayer. In a preferred embodiment of the present invention the lending entity examines the last three years tax overpayments refunded to the taxpayer. With historical data the lending entity preferably then looks at the year to date income and other personal data for the taxpayer for that tax year. With the historical data and the year to date data for the current tax year, the loan granting entity can estimate with reasonable accuracy the tax refund amount that will be due the taxpayer for the current tax year. Under the present invention the lending entity preferably uses the first three quarters of the year or more, of year to date information from the taxpayer for the current tax year. With three quarters of the current tax year information available to

the loan granting entity and with the historical tax data the lending entity is able to arrive at a reasonably accurate tax return amount due the taxpayer for the current tax year once the current tax year is over.

The lending entity may use computer software specially designed to assist in making the needed calculations to determine the estimated tax return amount due the taxpayer. Furthermore, the information used by the lending entity (such as the historical tax data) may be supplied by the taxpayer electronically, such as via a computer network, such as the Internet. Or, the taxpayer may supply the information in person at the lending office or elsewhere and the necessary calculations may be done manually such as accomplished in traditional tax preparation offices.

A preferred embodiment of the present invention will now be described in the way of an example. A taxpayer wishes to receive a pre-holiday loan in anticipation of his or her tax refund for the current tax year. The taxpayer takes his or her information to a tax preparer and/or to a lending entity offering the system of the present invention. In this example, the taxpayer provides the tax preparer with his or her last three years of tax return data, which would include the taxpayer's prior three years tax returns. If the taxpayer has used the same tax preparer for those prior three years, the tax preparer may have maintained a database of tax return information for that taxpayer as well as other taxpayers served by that tax preparer. In the latter case, the taxpayer would not have to supply the tax preparer with prior years tax information since the tax preparer would have that information readily available in a computerized database. For this example, assume that the taxpayer had an income of \$32,000 in year 1996 and a \$1,500 tax refund for that tax year. In 1997, assume that the taxpayer had a \$34,000 annual income and a tax refund amount of \$1,600. In 1998, assume that the taxpayer had an income of \$38,500, and a tax refund amount of

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\$1,850. Also assume that the taxpayer has given the tax preparer information for the current tax year that his or her income for the first nine months of the year has been \$30,000. Extrapolating the current year to date income information, the tax preparer may assume that the taxpayer will earn \$40,000 for the current year. If the taxpayer's tax deductions are not likely to significantly change for the current tax year, as compared to the prior three tax years, then a tax preparer may assume that the tax owed for the current tax year will be about the same percentage of income as in the prior three years, assuming that the tax rates have not changed. The tax preparer would also receive information about the nine months taxes paid by the taxpayer for the current tax year. If the taxpayer was having taxes withheld at the same rate as the prior three years, and factoring in the tax rates set by the taxing authority, after running the calculation to estimate the current tax year tax refund, the tax preparer may conclude that the taxpayer will receive a \$1,900 tax refund for the current tax year after the current tax year is completed.

With this information, either the tax preparer or another lending entity may agree to provide the taxpayer with a tax refund loan in advance of the year end holidays for the current tax year. The process for granting loans in anticipation of a tax refund is well known to one of ordinary skill in the art. The unique distinctions with respect to the present invention are that the loan is granted before the end of the current tax year which to the present inventor's knowledge has never been done before, and the fact that the loan is granted on an estimated tax refund amount as opposed to being based on an actual completed tax form for a complete tax year.

The lending entity may be any entity able to process and supply the loan to the taxpayer. In a preferred embodiment the lending entity is a financial institution such as a bank or savings and loan. However, the lending entity would not have to be a

financial institution and could be practically any entity able to loan money to a taxpayer. A professional tax preparer is also not essential to the purpose of the present invention, however it is preferred to use a professional tax preparer, such as H & R Block Tax Services. It is preferred to use a professional tax preparer because the taxpayer may have a prior relationship with the tax preparer and the tax preparer may have maintained a database of tax information related to that taxpayer. However, it should be recognized that the present invention may be accomplished without the services of a professional tax preparer. In another embodiment of the present invention a taxpayer may supply a lending entity with prior years tax return information for that taxpayer as well as year to date current tax year information to enable the lending entity to use the process of the present invention to provide the taxpayer with a pre-holiday current year loan in advance of the completion of the current tax year.

Having shown and described a preferred embodiment of the present invention, those skilled in the art will realize that many variations and modifications may be made to the described invention and still be within the scope of the claimed invention. Thus many of the elements indicated above may be altered or replaced by different elements which will provide the same or substantially the same result and fall within the spirit of the claimed invention. It is the intention therefore to limit the invention only as indicated by the scope of the claims.

WHAT IS CLAIMED IS:

1. A system for providing a loan to a taxpayer, comprising:

historical tax refund data for said taxpayer;

year to date income information for the current year, for said taxpayer;

5 year to date expense information for the current year, for said taxpayer;

a processor adapted to process said historical tax return data, said year to date income data, and said year to date expense data to determine an estimated tax refund amount for said taxpayer for said current tax year;

10 a loan provided to said taxpayer prior to the end of said current tax year in an amount based on said estimated tax refund amount for said current tax year for said taxpayer.

2. A system for providing a loan to a taxpayer, comprising:

historical tax refund data for said taxpayer;

year to date income information for the current year, for said taxpayer;

15 a processor adapted to process said historical tax return data and said year to date income data to determine an estimated tax refund amount for said taxpayer for said current tax year;

20 a loan provided to said tax payer prior to the end of said current tax year in an amount based on said estimated tax refund amount for said current tax year for said taxpayer.

3. A system for providing a loan to a taxpayer, comprising:

historical tax refund data for said taxpayer;

present job verification data for said taxpayer;

a processor adapted to process said historical tax return data and said present job verification data to determine an estimated tax refund amount for said taxpayer for said current tax year;

5 a loan provided to said taxpayer prior to the end of said current tax year in an amount based on said estimated tax refund amount for said current tax year for said taxpayer.

4. A system for providing a loan to a taxpayer, comprising:

10 income information for the current year, for said taxpayer;

 expense information for the current year, for said taxpayer;

 a processor adapted to process said income information and said expense information to determine an estimated tax refund amount for said taxpayer for said current tax year;

15 a loan provided to said taxpayer prior to the end of said current tax year in an amount based on said estimated tax refund amount for said current tax year for said taxpayer.

5. A method for providing a loan to a taxpayer, said method comprising:

20 estimating said taxpayer's tax refund amount due for said current year prior to the completion of said current tax year;

 providing a loan to said taxpayer based on said estimated tax refund amount due for said current tax year, said loan provided before the end of said current tax year.

ABSTRACT

A system and method are described in which a taxpayer may receive a loan in an amount based on the taxpayer's estimated tax refund amount due for a current year, the loan
5 being provided to the taxpayer prior to year end of the current tax year and prior to completion and filing of the taxpayer's current year tax return forms with a taxing authority.

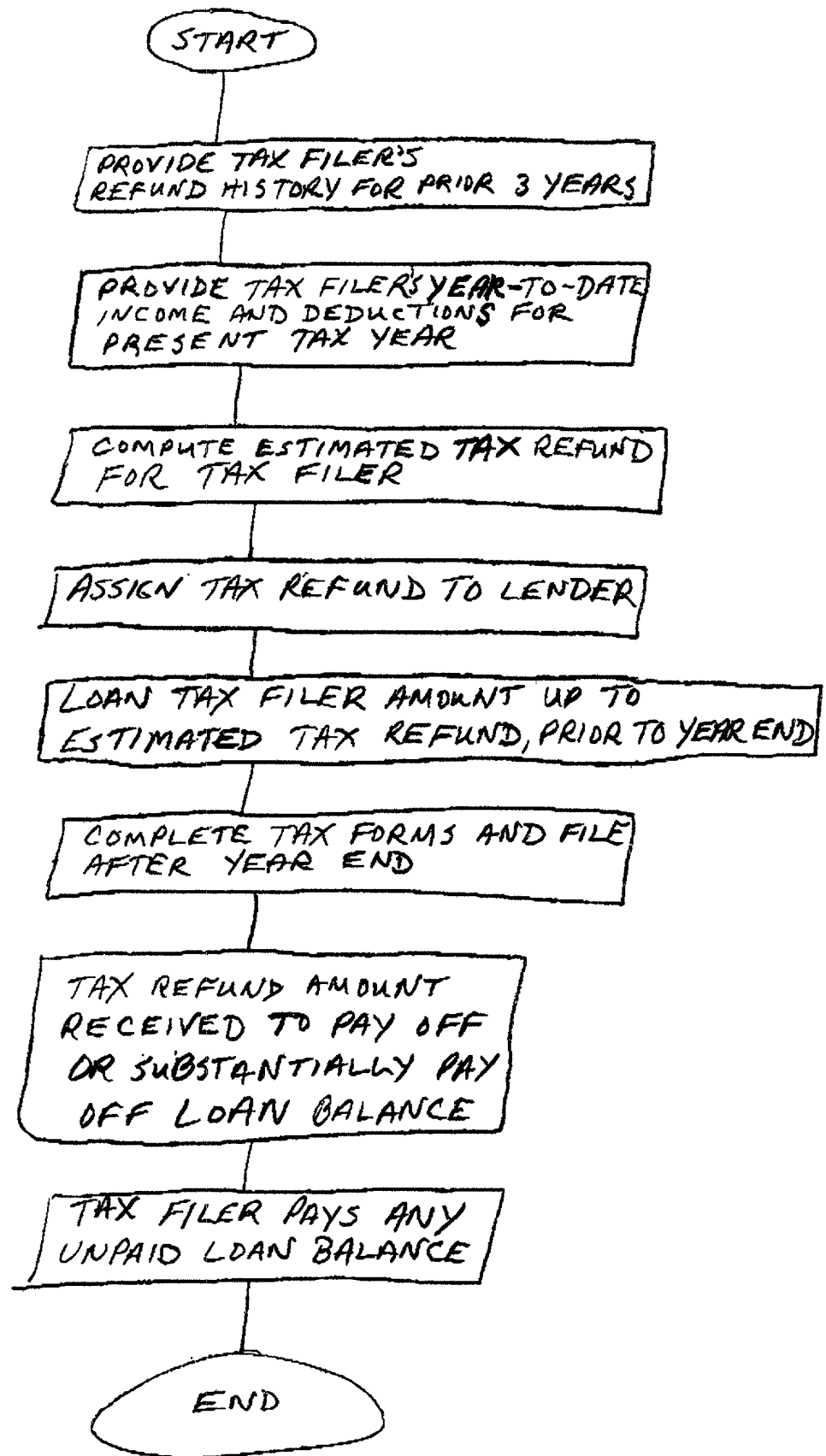


FIGURE 1

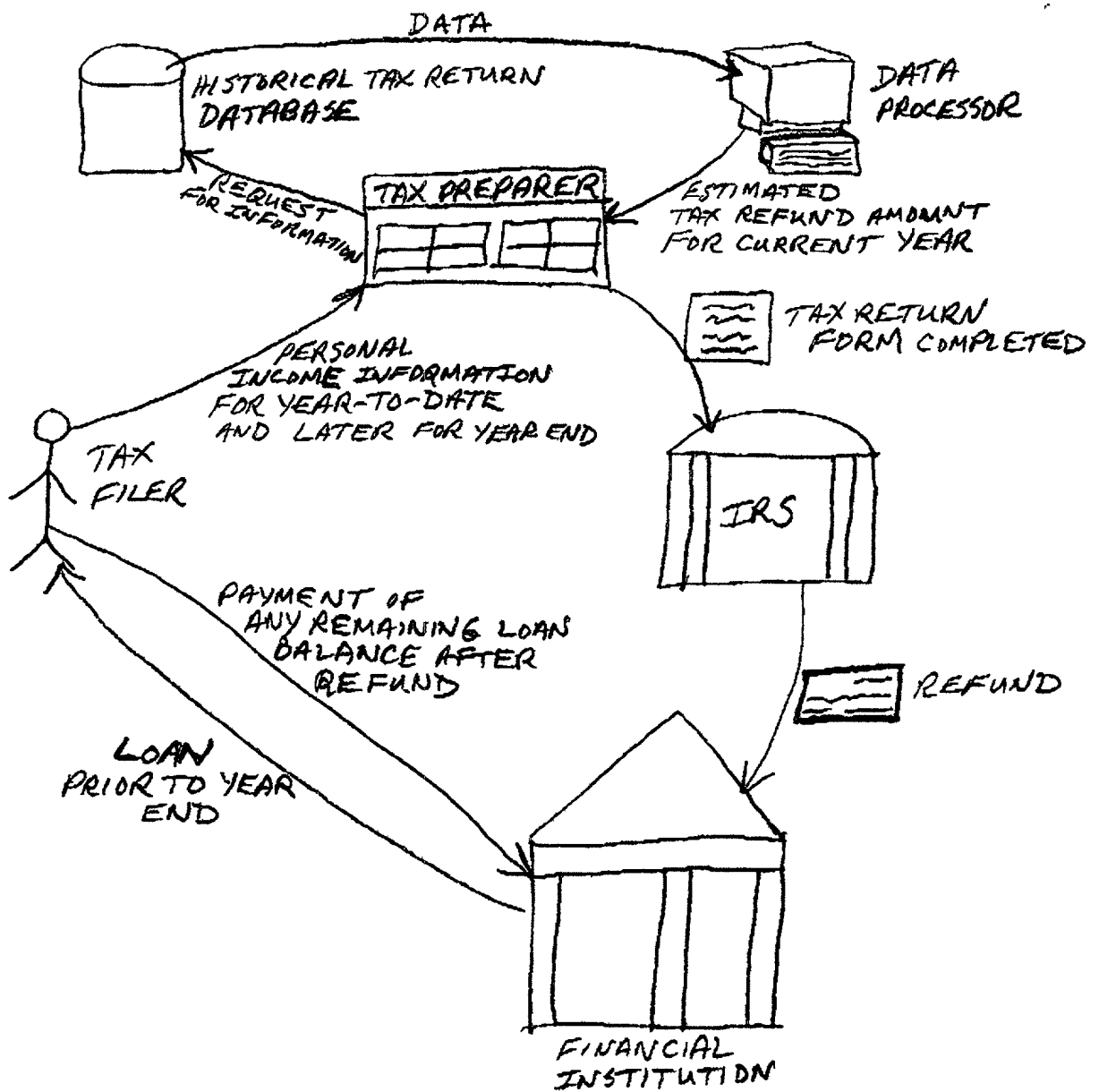


FIGURE 2

Express Mail No.: EL039915282US
Date of Deposit: January 14, 2000

DECLARATION
AND
POWER OF ATTORNEY

As below named inventors, we hereby declare that:

Our residences, post office addresses and citizenship are as stated below next to our names.

We believe we are the original, first, and joint inventors of the subject matter which is claimed and for which a patent is sought on the invention entitled PRE YEAR END TAX REFUND SYSTEM the specification of which:

(check one) ☒ is attached hereto.

☐ was filed _____ as
Application Serial No. _____
and was amended on _____ (if applicable).

We hereby state that we have reviewed and understand the contents of the above identified specification, including the claims, as amended by any amendment referred to above.

We acknowledge the duty to disclose information which is material to the patentability of the invention claimed in this application, in accordance with Title 37, Code of Federal Regulations, §1.56(a) and (b).

We hereby claim foreign priority benefits under Title 35, United States Code, §119 of any foreign application(s) for patent or inventor's certificate listed below and have also identified below any foreign application for patent or inventor's certificate having a filing date before that of the application on which priority is claimed:

Prior Foreign Application(s)

Priority
Claimed

| <u> </u> (Number) | <u> </u> (Country) | <u> </u> (Day/Month/Year Filed) | <u> </u> Yes | <u> </u> No |
|---|--|---|----------------------|---------------------|
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We hereby claim the benefit under Title 35, United States Code, §120 of any United States application(s) listed below and, insofar as the subject matter of each of the claims of this application is not disclosed in

the prior United States application in the manner provided by the first paragraph of Title 35, United States Code, §112, we acknowledge the duty to disclose material information as defined in Title 37, Code of Federal Regulation, §1.56(a) and (b) which occurred between the filing date of the prior application and the national or PCT international filing date of this application:

| <u>(Application Serial No.)</u> | <u>(Filing Date)</u> | <u>(Status)</u> (patented, pending abandoned) |
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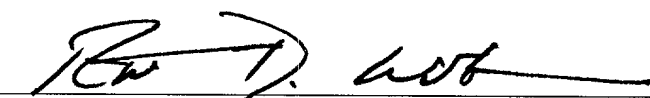
We hereby claim the benefit under 35 U.S.C. 119(e) of any United States Provisional Application listed below:

| <u>None</u> | <u>(Filing Date)</u> |
|-------------|----------------------|
|-------------|----------------------|

We hereby appoint Jeffrey S. Standley, Reg. No. 34,021, Roger A. Gilcrest, Reg. No. 31,954, James L. Kwak, Reg. No. 41,133, Carol Stovsky, Reg. No. 42,171, or Jeffrey C. Norris, Reg. No. 42,039, c/o Standley & Gilcrest LLP, 495 Metro Place South, Suite 210, Dublin, Ohio 43017-5315, Telephone No. (614) 792-5555 our attorneys, with full power in each of them, of substitution and revocation, to prosecute this application and to transact all business in the Patent and Trademark Office connected therewith. All correspondence should be sent to the attention of **Jeffrey S. Standley, Esq.** at the address above.

We hereby declare that all statements made herein of our own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Full name of inventor


Robert D. Wilson

Date

1/7/00

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